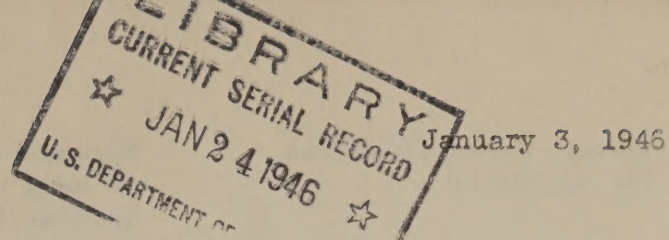


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Cap 4
United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.



AGRICULTURE IN ACTION

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester

A. W. Manchester
Director, Northeast Region

**USDA ANNOUNCES SUPPORT
PROGRAM FOR EGGS**

The Department of Agriculture has announced a plan to support the price of eggs to reflect a U. S. average of 29 cents a dozen during the heavy production season next spring.

In the Midwest, the support will be at an average farm price of 27 cents a dozen. The Department explains that Midwest egg prices in past years have averaged below prices in other parts of the country.

The principal means of supporting the price will be through Government purchases of dried eggs from processing plants. Frozen and shell eggs also will be purchased if necessary.

The Department will require a vendor selling eggs to the Government to certify that producers have received an average of not less than 27 cents a dozen (loose basis) for all eggs bought by the vendor. The eggs must be marketable and edible, with an average net weight of 44 pounds a case. Government graders will grade all Government purchases.

Purchase of dried eggs is getting the main emphasis because most of the Nation's drying plants are located in the Midwest, where the heaviest egg surpluses are expected. The drying plants will have a capacity of 2.5 million to 3 million cases of shell eggs a month. The peak drying load during the war was 3.5 million cases a month.

Eggs bought by the Government, either in dried, frozen, or shell form, will be disposed of in shipments abroad, sales to other Government agencies, or through school lunch programs and public institutions.

Secretary of Agriculture Anderson says the support program will begin to operate as soon as conditions threaten to reduce egg prices below a level which reflects a U. S. average farm price of 90 percent of parity -- the minimum support level directed by Congress under the Steagall Amendment.

Mr. Anderson points out that egg production during the war years has been running 50 percent ahead of prewar. The 1946 goals suggested by the Department ask for 15 percent less eggs in 1946 than in 1945.

ORDERLY MARKETING STILL THE WATCHWORD

Farmers should continue orderly marketing of hogs to keep prices up at or near OPA ceilings. This warning is particularly important in view of the present unsettled packing house labor situation and the expected heavy movement of hogs to market early in January.

Producers are urged to keep in touch with their markets and with market news to plan their sales in a way to prevent an oversupply such as occurred about a month ago, when hog prices dropped off 75 cents to \$1 from ceiling levels.

During the latter part of December, terminal markets saw active trading of hogs at ceiling prices. Receipts in most cases were below demand. Bad weather helped keep marketings down.

The Department of Agriculture says that there is no oversupply of pork this winter. The market is strong and supplies are still short of demand. But the labor force in many packing plants is not big enough to take care of large increases in hog receipts on short notice. A tight situation also prevails with respect to transportation facilities in moving hogs to distant points for slaughter.

Marketings of hogs so far this winter have been behind those during the same period last year. Three factors have contributed to this: (1) Late farrowing of the 1945 pig crop; (2) plenty of feed in most areas; and (3) no penalty for heavy weights, which has led many farmers to feed later and heavier than usual.

This indicates that there will be a heavy movement of hogs in the first weeks after the holidays. Unless this situation is closely watched and shipments carefully planned to avoid market gluts, a critical condition may result.

Farmers have no cause for alarm, the Department says, if they analyze their market situation calmly and refuse to be stampeded into a falling market. Pork demands are still unlimited.

FOOD HELPS CHINESE INDUSTRY SPURT AHEAD

American consumers, who sometimes find it hard to imagine the meaning of "hunger," will be interested in learning why coal production in North China has nearly doubled during the past month.

Officials say the sudden spurt in coal production is directly due to the arrival of flour for distribution by the United Nations Relief and Rehabilitation Administration. Promise of payment in the much-needed white flour attracted many of the workers back to the mines. Workers also receive a small cash payment in local currency and are furnished housing facilities.

These mines supply coal for many of China's commercial and industrial centers. Officials have requested additional flour shipments to maintain production schedules.

RADIO TRANSCRIPTION

A. W. Manchester, Director
Northeast Region, Field Service Branch
Production and Marketing Administration
U. S. Department of Agriculture
January 3, 1946 - 6:15 a.m.
Station WBZ - Boston, Massachusetts

AN "INVENTORY" OF CONSERVATION NEEDS.

As we start another year it's a good time, I think, to take a little inventory of where we stand in the business in which my organization and I are principally engaged -- agricultural conservation.

Any inventory like this ought to be taken in two ways -- what we have and what we need but haven't. As a matter of fact, that's true of a good many kinds of stock taking.

On the side of what we have, or what we are doing, I think the account looks pretty good.

The farms in the Northeast Region, for instance, are using close to 2-3/4 million tons of limestone a year now. That's more than 6 times as much as they were using when the Conservation Program started.

Close to 2-1/4 million tons are obtained by farmers with the help of the program. The rest they buy on their own. The amount they buy without program help is more than they used to buy altogether before we had a Conservation Program. They are gradually growing so convinced of the value of lime by their experience with what they get in the program that they are not willing to get along with less than their farms need for fully efficient operation.

For, looking a minute at what we ought to be doing but aren't, by the estimates of the scientists who specialize in the field of soils and crop production, that 2-3/4 million tons a year we are using now -- even though it is 6 times what we were using 10 years ago -- is only, in round figures, half what we ought to be using in order to operate the farms of the region at top efficiency.

About the same thing can be reported of the amounts of phosphorus farmers are buying through the program and on their own to grow clovers and better pastures with. The increase is tremendous. The quantity is 4 times what it used to be, but it is still only around 1/4 the quantity that we ought to be using, as the scientists estimate it.

The report about potash isn't as good. The needs for potash to keep clover and alfalfa reasonably free from winter killing -- alive and yielding big crops -- is being increasingly recognized and over wider areas every year. The amounts farmers are using, either through the program or outside, are only a small fraction of recognized needs. And that recognized need is growing bigger every year.

I have mentioned these conservation materials first -- not that they represent most of what we ought to be doing in the field of conservation, but because they do represent most of what we actually are doing.

We have been emphasizing them because clover and its relatives, alfalfa and the like, are the plant essentials of a system of soil fertility maintenance on the great majority of farms. At the same time, our livestock farms need them

tremendously for efficient, economical feeding. The long time prosperity of our dairy farms, for instance, depends largely on our success in making clover or alfalfa universally abundant and successful. Abundant use of these soil building materials is the first and absolutely essential step.

But our conservation needs in other fields are very great and hardly touched.

Other practices which are important to many areas in the Northeast Region and which must be given greater emphasis include green manure and cover crops, reforestation, strip-cropping, diversion terraces and sod waterways, woodland improvement, and so on. These practices are now being carried out only to the extent of about 7 percent of the needs under the current Conservation Program.

That means that they are really on only a demonstration basis, being done enough to prove they are good, but not enough to have any substantial effect in preventing soil and forest wastes. As one instance, there are by the estimates between 2 and 3 million acres of land lying around doing nothing and that isn't going to be needed for agriculture in the foreseeable future.

Most of it is land that isn't suitable for agriculture but it will raise good trees. Reforestation would transform it from a liability and an eye sore into a developing asset all around.

Serious soil erosion isn't by any means universal in the Northeast, but there are large areas where it is taking a heavy toll year by year. Frequently the lands that are worst affected are among our best farming soils.

Under it, they are steadily deteriorating, heading for the agricultural graveyard. Erosion there represents a loss both to the farmer and to society but in many ways a far greater loss to society than to the farmer -- a loss that will be felt more by future generations than by ours unless it is arrested.

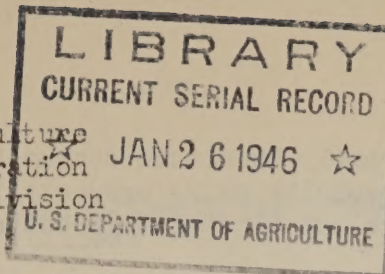
To me, the year-end inventory is encouraging in that we are doing far better than we ever have in the past.

But in the language of the children's stories, "'Tain't enough." Until we are doing a good enough job of conservation so that we are holding our own -- so that our fields and pastures and forests are at least growing no worse -- we are still living parasitically, parasites on the generations that will follow us, our children and children's children.

* * *

(Agriculture in Action -- Issued weekly and distributed in the Northeast to to State AAA Committeemen; State Offices of PMA; Farmer Fieldmen; County Offices in Massachusetts, Connecticut, Pennsylvania, New Jersey, and New Hampshire; County Committeemen in New Jersey, Pennsylvania, New Hampshire, and Rhode Island.)

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United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Division
Washington 25, D. C.

JAN 26 1946 ☆

Jan. 9, 1946

AGRICULTURE IN ACTION

Dear Committeemen:

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A. W. Manchester

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Director, Northeast Region

PARITY INDEX RISES
TO 25-YEAR HIGH

The parity index used to figure parity prices for farm products has climbed to its highest peak in the last 25 years. This index, which represents the prices, interest, and taxes paid out by farmers, has reached 176 of the 1910-14 base period. This is an increase of 5 points from a year ago.

The Department of Agriculture states that the actual prices received by farmers for things they sell is averaging 18 percent above their parity price levels. Farm income runs even higher since total crop production last year was the third largest in history.

A comparison of parity and actual prices received for some major farm commodities, as of December 15, follows:

Commodity	Parity	Average Prices Rec'd.	Increase in Prices Rec'd. Compared with Dec. 1944
Wheat (Bu.)	\$ 1.56	\$ 1.54	9 cents
Corn (Bu.)	1.13	1.09	3 "
Rice (Bu.)	1.43	1.81	2 " (decrease)
Cotton (Lb.)	.2182	.2284	2 "
Tobacco (Not Yet Available)			
Peanuts (Lb.)	.0845	.0832	17/100 cents
Soybeans (Bu.)	1.69	2.09	4 cents
Potatoes (Bu.)	1.28	1.37	13 " (decrease)
Hogs (Cwt.)	12.80	14.20	80 "
Beef cattle (Cwt.)	9.54	11.50	\$1.40
Sheep (Cwt.)	7.97	6.19	36 cents
Milk, wholesale (Cwt.)	2.82	3.11	2 "
Eggs (Doz)	.378	.392	2 "

Parity, as defined by Congress in the Agricultural Adjustment Act of 1933, seeks to give agricultural commodities a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of agricultural commodities in the base period (usually 1910-14).

Parity prices change when the index of prices paid by farmers for things they buy, for interest, and for taxes changes. Prices received by farmers have averaged above parity since December 1941.

WHERE THE MILK AND BUTTERFAT GOES Greatly increased consumption of fluid milk, cream, and specialty dairy products is one reason why city housewives are not finding more butter in storekeepers' refrigerators.

Most of the increase is in coffee cream, whipping cream, ice cream, and fluid milk itself. Consumption of these products, already high when the war ended, has gained with the removal of wartime allocation restrictions, due to continued high purchasing power of consumers.

The flow of milk away from butter production to butterfat for use in candy, bakery mixes, and soups also has contributed to the short butter situation.

Fluid cream dealers and industrial users of butterfat have been paying higher prices for cream than can be obtained from manufacture of butter under present price regulations.

While farm production of milk in 1945 gained about 4.5 billion pounds over 1944, manufacture of butter dropped nearly 115 million pounds during the same period. Butter production in 1944 was close to 30 percent under prewar production.

From a pre-war average of around 31 billion pounds annually, milk consumed as milk or cream in cities and towns had jumped to more than 44 billion pounds by 1944.

Although complete figures are not yet available, the United States Department of Agriculture estimates that in late 1945 fluid milk consumed as coffee cream increased 5 to 10 percent compared with 1944. Consumption of whipping cream resulted in a gain of an additional 35 to 40 percent over the same period. Milk going into ice cream has increased 30 to 40 percent during recent months, compared with the like period of 1944. Production of dry ice cream mix, largely for military use, doubled last year.

CATTLE CEILING-SUBSIDY PROGRAM NOTICE Producers have been notified that there will be no downward revision before June 30, 1946, in the over-riding ceiling prices or in the maximum price ranges for different grades of beef cattle.

Pointing out that authorization for continuing ceiling prices or the payment of subsidies will expire on June 30 unless continued by Congress, the Stabilization Administrator stresses that no definite commitment can be made about ceilings or subsidies after that date. If controls are extended beyond June 30, suggestions on a program will be made to Congress, followed by announcement of the program by the proper agency.

To assure cattle feeders as much protection as possible against price changes and to encourage the movement of cattle into feed lots, the industry had been promised at least 6 months' advance notice of any downward revisions in the ceiling price and subsidy program. The price program has been in operation since May 1945.

NO RISE IN WHEAT CEILINGS Ceiling prices on wheat will not be increased at this time, OPA says. The announcement is made to correct rumors of higher ceilings, which have been widely circulated in the trade. For the past several months, wheat has been selling at or near ceilings in most markets. Present ceilings reflect parity to growers, as required by the Emergency Price Control Act.

STATE USDA COUNCIL
OFFICERS NAMED

Officers of the Northeast State USDA Councils are reported as follows:

<u>State</u>	<u>Chairman</u>	<u>Secretary</u>
Maine	Fred J. Nutter Director, PMA	Lawrence A. Chatto Exec. Asst., PMA
New Hampshire	J. Ralph Graham Director, PMA	Earl P. Robinson Exec. Asst., PMA
Vermont	Lemuel J. Peet Conservationist, SCS	Harris W. Soule Director, PMA
Massachusetts	F. E. Cole State Com. of Agriculture (S.R.Parker, PMA, Vice Ch.)	John G. Glavin Dept. of Education
Rhode Island	Ralph S. Shaw Director, PMA	Wm. Corr. Farm Sec. Adm.
Connecticut	Walter T. Clark Director, PMA	Earl W. Prout, Jr. Acting Sr. Director, FSA
New York	Robert J. Howard Director, PMA	I. B. Stafford Soil Conservation Service
New Jersey	Charles A. Collins Chm., AAA State Committee	Willis Morgan PMA
Pennsylvania	Clyde A. Zehner Chm., AAA State Committee	Carson F. Mertz State Dir., Farm Security Adm.

State USDA Councils have been organized as directed by the Secretary of Agriculture and consist of the heads of the State offices of the constituent agencies of the Department including the State Director of Extension, the Director of the State Experiment Station and may include the head of any interested State agricultural agency. Similar councils are organized in the counties.

Purpose of the Councils is to "help the agencies of the Department to coordinate their respective activities," and carry on work formerly performed by State and county USDA War Boards.

SPRING FARROWINGS MAY BE 4% ABOVE LAST YEAR Farmers intend to have about 4 percent more sows farrow next spring than were farrowed in the spring of 1945.

Spring intentions tabulated by the Department of Agriculture point to farrowings of 8,542,000 sows next spring, slightly larger than last year and 9 percent above the 10-year average. Increases were indicated for all regions except in New England.

The indicated number of sows to farrow would produce a pig crop in line with the national spring pig goal of 52 million head recommended by the Department.

Total number of pigs saved in 1945 was about the same as in 1944. An increase in fall farrowings made up for a drop in spring farrowings.

1946 LIMING MATERIALS
REPORTED THROUGH DEC. 28

Vermont's materials program for 1946 as of December 28, was the most advanced of any Northeast State. Orders totaled 21,934 tons of lime which represented about 30 percent of the State's estimated needs determined in accordance with the program appropriation for this year. The Regional report follows:

State	Estimated Needs for 1946	Orders Rec'd by State Office (tons)	Deliveries Reported (tons)
New Hampshire	38,700	1,161	437
Vermont	73,915	21,934	8,839
Massachusetts	79,785	5,800	828
New Jersey	100,000	4,067	688
New York	728,390	3,878	270
Pennsylvania	857,061	10,169	662
Maine	92,000	1,485	258
Connecticut	59,460	84	84
Rhode Island	8,000	578	None

N.H. ELECTION ATTENDANCE
NEARLY DOUBLES YEAR AGO

It looks like everybody got busy at community election time in New Hampshire. The county record follows. The first figure is the number of voters present for the 1946 election -- the second gives the number in 1945: Belknap, 84-29; Carroll, 40-27; Cheshire, 80-38; Coos, 56-32; Grafton, 130-53; Hillsboro, 239-239; Merrimack, 78-56; Rockingham, 147-66; Strafford, 41-33; Sullivan, 160-38; State total, 1055-611; average attendance per community, 17.9 - 10.3.

WINTER WHEAT ACREAGE
INCREASES OVER LAST YEAR

Seedings for winter wheat to be harvested in 1946 exceed plantings of a year ago by 3.6 percent, pointing to the possibility of the Nation's third successive billion-bushel wheat crop.

Seedings this fall total 51,940,000 acres compared with 50,123,000 acres last year and a 10-year average of 46,757,000 acres. The initial Department of Agriculture forecast is for a 1946 winter wheat harvest of 750 million bushels which would be 9 percent below the 1945 harvest. Biggest increases in seeding are in the Great Plains and other Western States.

FERTILIZER NITROGEN USE
NEARLY DOUBLED IN 5 YEARS

The war with its heavy demand for high crop yields for food and industrial purposes made the American farm a glutton for nitrogen. In the five years ending with 1940 the average annual consumption of commercial fertilizer nitrogen, according to a survey by the USDA, was about 390,000 tons, and by 1944 it was up to 626,000 tons.

The States that fed their crops most heavily on this nitrogen were eight Atlantic and Gulf Coast States -- Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi and Louisiana. The Department says this group used 59 percent of it. The entire area west of the Mississippi used only 18 percent, more than half of it going into California fields and orchards. All States showed a considerable increase.

The fertilizer men report the United States now has a nitrogen-producing capacity of 1,510,000 tons, which is considerably greater than the farmer demands at present.

FOOD SMALL PART OF GOVT. SURPLUS PROPERTY Food and agricultural products accounted for about 60 million dollars, or less than one-half of one percent of the 13 billion dollars worth of Government-owned property declared surplus in the U. S. by the end of 1945.

The Department of Agriculture, disposal agency for food located in the U. S. , anticipates no difficulty in disposing of the balance of surplus food as promptly as it can be graded and inspected. Only nominal amounts are expected to be declared surplus in the future. Principal owning agencies of surplus food have been War and Navy Departments and the War Shipping Administration.

The largest single item of surplus food on hand now is frozen emulsified whole eggs (whites and yokes) of the type used by bakers, inventoried at nearly \$23 million. Other surplus agricultural commodities include canned pineapple juice, cigarettes, peanuts, candy bars, chemical cotton pulp, canned potatoes, packaged rations, and frozen sausage.

All food declared surplus in foreign countries has been used for relief and rehabilitation. Stocks overseas have been kept small, however, by the Army's policy of shifting food from inactive theatres to localities where it was needed.

RETAIL EGG CEILINGS DROP Retail OPA ceiling prices for top grade eggs were reduced two cents a dozen December 27, and another two cents per dozen January 3. The reductions will continue at a weekly rate of one cent or more for the next several weeks.

The drop in egg ceilings at all distributive levels is brought about by OPA's seasonal schedule of egg prices. These prices go up during periods of slow production, reaching their peak in October, and decline during the late winter and early spring as eggs become more plentiful.

The total decrease in retail ceiling prices of the best eggs, from the period of Dec. 26 through March this year, will amount to about 20 cents a dozen.

POTATO LOAN REPORTS For the period ending December 22, 1945, 2,867 potato loans had been completed in the Northeast States. Maine alone reported 2,573 with 344 partly repaid and 200 completely repaid in the amount of \$2,431,705.95. Other repayments were reported as follows: Massachusetts, 2 - \$7,430.50; Connecticut, 2 - \$15,559.36; Pennsylvania, 4 - \$7,625.38. Individual State reports follow:

State	No. of Loans	Cwt. of U.S. No. 1's Orig. Loaned	Cwt. of U.S. No. 1, B's & 2's Orig. Loaned	Prelim. Service Fees	Lending Agency Fees	Amount Orig. Loaned
Me.	2573	10,792,021.4	1,245,356.8	\$74,672.75	\$99,000.85	\$14,768,913.14
N.H.	29	44,766.9	6,396.0	342.85	571.02	74,465.07
Vt.	6	11,340.7	1,237.4	-	292.17	19,744.18
Mass.	27	158,159.0	14,062.0	140.00	3,309.42	256,184.35
R.I.	8	63,809.0	6,498.0	681.52	836.23	103,819.01
Conn.	21	103,756.1	13,182.8	1,394.93	272.17	170,595.29
N.Y.	60	109,704.5	16,864.5	1,500.00	1,427.10	151,363.95
N.J.	8	11,558.2	1,261.1	61.20	-	18,852.58
Penna.	135	147,254.7	34,817.1	1,267.00	2,505.22	236,041.26

Special loans completed were also reported in Maine, 17; Connecticut, 5; and Pennsylvania, 1.

FARM POPULATION SHIFTS The farm population comes out of the war not only fewer in numbers, but also with a change in age groupings, Dr. C. C. Taylor of the Bureau of Agricultural Economics points out. Between 1940 and 1945 the number of persons living on farms decreased by 5 millions, or more than 15%. From 1940 to 1944 there was a loss of 40% in the number of males between 14 and 24, and a drop of more than 20% of those between 25 and 44. The number of persons 45 or over remained about the same.

Readjustments are to be expected, says Dr. Taylor. Some demobilized service men and industrial workers will return. How many will return depends largely on employment opportunities. Such movements respond sensitively to economic opportunities elsewhere. If widespread unemployment exists there will probably be a considerable shift of people to farms.

"Shifting to nonfarm jobs," says Dr. Taylor, "or combining them with farming has been an important means of raising the level of living of farm families. The amount of nonfarm work done by farm operators during 1943 was 36% greater than in 1939, while the wage income from such work increased by a much greater percentage."

550,000 FARMS COVERED BY CROP INSURANCE IN 1945 During 1945, applications were written covering more than 550,000 farms -- more farms than have ever been covered in any other year of the Crop Insurance Program, according to a recent statement issued by the FCIC. With most of the spring wheat applications still to be made, more wheat farms are already insured for 1946 than in 1943, the last year of the old program. The 1945 insurance covered 113,000 cotton farms; 25,653 wheat farms; 38,000 flax farms; 12,000 corn farms and 12,000 tobacco farms.

In describing the program, the statement said, "On Dec. 23, 1944, Congress authorized resumption of insurance on wheat and cotton and added flax as a new commodity for general coverage. Trial insurance also was authorized, and corn and tobacco were chosen as the first trial crops. Crop insurance is a non-profit program. The Government pays all administrative costs. But Congress has directed that the premiums paid in must cover the losses paid out in order to make the Federal Crop Insurance Corporation a sound organization that farmers can depend on to be a permanent part of their business operations."

BEEF PRODUCTION PROGRAM PAYMENTS A statistical report of the Beef Production Program for the month of November, 1945, showed payments as follows to beef producers in the Northeast Region:

<u>State</u>	<u>No. of Head</u>	<u>Cwt.</u>	<u>Amount Payable</u>
Massachusetts	12	114	\$ 57.00
New York	136	1311	655.40
Pennsylvania	1742	19,090	9,610.00

* * *

---1945 Agricultural Conservation Program payments have been certified by State Certifying Officers in two Northeast States as follows through December 28, 1945: Maine, \$33,561.12; Pennsylvania, \$9,191.11.

---Termination of the present subsidy payment of 3 3/4 cents a pound on Cheddar cheese, effective Feb. 1 was announced Dec. 29 by the USDA. The resulting increase in retail ceilings allowed by OPA will be approximately 5 cents a lb.

ACREAGE OF LADINO INCREASED
TEN-FOLD IN NEWPORT, SHAW REPORTS

A few excerpts from an article by Ralph S. Shaw, Rhode Island State Director, Field Service Branch, in a recent issue

of "The Rhode Island Pilot" are given below.

"Farmers who till the soil of Rhode Island during the years that lie ahead will raise better crops and animals, despite the intensive production demands of the war years.

"That prediction is based upon a record of land improvement and rebuilding begun less than a decade ago, and a splendid wartime job of maintaining acreages, keeping up dairy production, and raising more and better crops under difficult conditions.

"Rhode Island's none-too-fertile soil has actually shown improvement while being put to the most stringent test of its history.

"It's not difficult to find the reason. In large part it is directly traceable to the conservation program of the Agricultural Adjustment Agency and the hard work of its State, county and community committeemen. Acting in cooperation with other Government agencies, steady progress has been made in helping farmers to protect their soil resources against damage and depletion, as well as to rebuild lands already affected by intensive cropping and erosion.

"Burton Froberg of Lafayette reporting on the far-reaching effect of the use of lime and fertilizer on the family farm, says that tillable land has been increased from 20 acres in 1922 to about 75 today, including rented land. Hay production has increased from one ton or less per acre to three and a half to four tons per acre. Production of milk per cow, in part due to better home grown roughage together with culling and breeding, has increased from about 4400 pounds for a predominantly Guernsey herd. An outstanding feature, according to Froberg, is the reduction in grain consumption due to better hay and pasture. This has cut his operating costs. And he states that without the AAA Conservation Program much of the lime and fertilizer would not have been spread because of the expenditure involved. Froberg's experience is but one among hundreds throughout the State. . .

"The county committee for Newport points out that while it is true that the program has not furnished or paid for all of this used material, the figures show that the program is having a lasting influence upon the county's agriculture. Farmers, having learned the value of the use of conservation materials, are purchasing large amounts in addition to the materials, obtained through the program. The acreage of green manure crops in Newport county has increased more than three times since 1938, and the amount of established haylands and pastures which have been improved by the use of lime, super-phosphate and potash has doubled. The acreage of Ladino clover has increased ten-fold, and the amount of cropland in rotation, to which lime has been applied, has increased at least 50 percent. . . "

USDA TO PUBLISH
YEARBOOK IN 1947

The Department of Agriculture will resume publication of its Yearbook in 1947, after discontinuance during the war years. Tentative title of the 1947 edition, which will feature scientific progress made during the war, will be "Science and the Farmer." The last edition was published in 1942. It was called "Keeping Livestock Healthy."

AN OUTSTANDING CROP
INSURANCE SALESMAN

AGENT: Arthur G. Ausbury, Route 3, Macomb, Ill. Farmer and stockman. No previous experience selling insurance, but was salesman for Swift and Company in Ohio and eastern Indiana several years ago. Township committeeman, a 100-percent cooperator in AAA. Considered it his duty and obligation to assist in making this program a success, as he has done in all other programs.

RECORD: Sold 332 contracts covering 357 farms.

METHODS: Explained insurance took all risk out of wheat raising. Also if successful wheat insurance program was put over, it would be a large help in getting all-crop insurance, especially for corn and beans -- major crops in that section. This was his most effective argument, coupled with the fact that he has a good personality and is well-liked.

MOST SERIOUS HANDICAP: "Small yields," political prejudices, and some misinformation put out by previous salesmen. (This is 1st in a series on outstanding salesmen)

USDA TO TAKE OVER WAR DEPT. FROZEN EGG STOCKS Approximately 60 million pounds of the 70 million pounds of frozen whole eggs which recently were declared surplus by the War Department will be purchased by the Department of Agriculture, it was announced recently. The additional 10 million lbs. will be offered by the Department to the domestic trade at ceiling prices. This latter action is being taken to assure ample supplies of frozen whole eggs for domestic use until the spring production season. Any frozen eggs not disposed of at ceiling prices to domestic users will be withdrawn from sale and dried for subsequent export disposal.

The Department will have the 60 million lbs. of frozen eggs dried. The dried equivalent of up to 24 million lbs. will be used to complete unfulfilled foreign commitments. The portion not needed for commitments will be offered for export sale, when dried, to commercial firms, relief agencies such as the United Nations Relief and Rehabilitation Administration, and other foreign outlets.

PRODUCTION AND DEC. 1 STOCKS OF DRY BEANS About 47% of the 1945 dry bean crop of 13,578,000 bags (100 lbs. uncleaned) was of five common white kinds -- primarily Pea and Medium whites, and Great Northerns.

Total production of all beans in California this year is about 26% of the Nation's crop. On Dec. 1, 1945, about 1,234,000 bags of dry beans (uncleaned) were still on farms, compared with 1,623,000 bags a year earlier. On the same date 5,241,000 bags (equivalent cleaned) were stored in the usual commercial bean storage places and in storage places of the Production and Marketing Administration, in and near producing areas. A year ago 7,862,000 bags were in commercial storage places.

Dry Peas. The 1945 dry pea crop, exclusive of Cowpeas and Austrian Winter Peas, was 5,594,000 bags (of 100 lbs. uncleaned) of which 3,687,000 bags were smooth green kinds and 788,000 bags were smooth white kinds. Dec. 1, 1945, farm stocks of dry peas totaled 519,000 bags, or about 22% below those of a year earlier.

(Agriculture in Action -- Issued weekly and distributed in the Northeast to State AAA Committeemen; State Offices of PMA; Farmer Fieldmen, County Offices in Massachusetts, Connecticut, Pennsylvania, New Jersey, and New Hampshire, County Committeemen in New Jersey, Pennsylvania, New Hampshire, and Rhode Island.)

RADIO TRANSCRIPTION

A. W. Manchester, Director
Northeast Region, Field Service Br.
Production & Marketing Adm., USDA
January 10, 1946 -- 6:15 a.m.
Station WBZ -- Boston, Mass.

FOOD CONSUMPTION REACHES NEW HIGHS

There's one theory that is gaining support fast just now. It's a theory that has been talked about a great deal in the last few months. But it begins to look as though what is happening is proving that there is even more in the theory than most of us have guessed.

That theory is that the people of this country will buy and pay for and eat a lot more food than they ever have before, if -- and this is an "if" in capital letters -- IF they have the money to pay for that food. That is, IF they have that money over and above what they need to supply their other more pressing wants.

Here are a few of the things that have been heppening recently that are pretty well proving the theory.

Take eggs, for instance. By all earlier statistics, we are supposed to be heading toward an earth-shaking surplus of eggs. A while ago there were estimates as high as 25 million cases of surplus eggs in 1946. The unofficial estimates that I hear now are moving down. There's some talk now -- again strictly unofficial -- about a 15 million case surplus.

Why the drop?

Well, the reasoning was that as more meat became available, people would buy less eggs. That seems to make sense. The biggest estimates of surplus were based on the estimate that consumption of eggs would drop perhaps 50 eggs per person per year from last year's high average. That may happen, but, normally, eggs begin to get abundant in the markets and prices begin to drop in late November. Now it's January, and supplies are still on the short side and prices are at or close to ceilings.

I don't know any explanation except that people are still buying a lot of eggs. Of course, surpluses are to be expected in the spring. We'd be in a bad mess next fall and winter if we didn't build up our storage stocks in the spring. And there'll probably be more eggs than will be wanted for storage.

But this is sure -- those surpluses won't be anywhere near as big, if people keep on buying with the enthusiasm that they have been showing. And it begins to look as though whether they will keep on buying that way depends largely on whether they keep on earning the way they have.

About the same underlying truth seems to apply to the meat situation. As every farmer knows, we have been going through and are still in a season when slaughterings of meat are very large.

Yet, most housewives report that while the meat situation from their standpoint is much better than it was along back, the meat counters don't show the abundance of supply and the varieties and kinds that they used to.

Of course, the armed forces are still taking some meat. But that isn't an adequate explanation. The folks in the armed forces are the same folks who, if they weren't in the armed forces, would be home eating meat, if they could get it and afford it.

Again, I think the principal explanation is that people can afford to buy at least a part of the amounts and kinds and cuts of meat that they want to.

Another very striking illustration of the same underlying truth is afforded by the present dairy situation.

We produced in the United States last year the most milk that was ever produced. But the last months of the year we had a minor milk famine in the larger cities along the coasts and butter has for a long time been a prize collector's item.

Why?

Mainly because milk and cream sales per capita are way up. The last figure that I remember seeing was 27 percent above pre-war. I don't know whether that is the exact estimate at the moment but it is very close to it.

Milk and cream and ice cream and so on are taking so much of the milk that there isn't much left to be made into butter. The only way we could get substantially more butter would be to stop buying so much milk and cream. There is no practical way of substantially increasing the quantity of milk produced in a hurry.

When the seasonal low in milk production hit in early November there wasn't enough milk available for many of the markets even to meet the milk and cream needs. A good many areas that normally manufacture the milk into products were raided for milk and still the markets were short.

And, just as in eggs, the seasonal upturn in production is later than usual in catching up with the demand.

Again, I'm sure it's the same story. The consumer has the money and is trying to buy all he wants of those foods that he and his family like best.

What's the moral of all this? Most of it I'm sure is too obvious to be told. Farmers pretty generally realize how closely their interests are tied in with those of their customers -- that those customers can't be good customers without good incomes.

That's one lesson we haven't carried through to its ultimate conclusions in all corners of American business. It might be a good idea to study it a little longer.

But there is one aspect of the food situation that is, I think, worth mentioning. This unprecedented demand is the result of a long period of sustained high incomes widely diffused over the population. Results like these don't come from short periods of boom. There are too many back bills to pay up, too many acute shortages of necessities to take care of. And they don't come from boom for the few and thin pockets for the many.

The getting of widespread stability of income and the keeping of it is the major domestic material problem before the country right now.

United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.

January 16, 1946

AGRICULTURE IN ACTION

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester
A. W. Manchester
Director, Northeast Region

**FOOD SUPPLIES AT RECORD
LEVEL; DEMAND TO STAY HIGH**

in military procurement make possible civilian supplies larger than in prewar years.

Food supplies for civilians will be at a near-record level during the next few months, according to the Department of Agriculture. Great reductions are expected to meet civilian demand in full in most areas, at or perhaps even below ceiling prices.

Supplies of cereal products, citrus fruit, canned fruit juices, fresh and canned vegetables, evaporated milk, fluid milk, frozen fish, eggs, and potatoes are expected to meet civilian demand in full in most areas, at or perhaps even below ceiling prices.

The demand for most farm products is likely to stay close to the present high level, at least until 1946 crops become available in Europe and Asia. Domestic demand, which was partly unsatisfied during 1945 because of rationing and price controls, is expected to continue very large in spite of a prospective small decline in consumer income. Exports are likely to be maintained at or above their wartime level during the next few months, provided means for financing are made available.

Foods more plentiful than before the war, but still short of what civilians would like to buy, are meats, cheese, and perhaps canned fruits. Supplies of sugar, fats, canned fish, apples, and bananas will continue to be smaller than the quantities consumed before the war.

Food production increase during the 6 years 1939 to 1945 was nearly as large as that for the 30 years from 1909 to 1939, due to intensified efforts of farmers, favorable weather, and improved production methods and facilities.

**NEW JERSEY, PENNSYLVANIA
STATE PMA DIRECTORS NAMED**

Pennsylvania, and of Jacob A. Blakeslee, State Director for New Jersey.

Announcement has been made of the designation of Clyde A. Zehner as State Director of the Production and Marketing Administration for

Both Mr. Zehner and Mr. Blakeslee are chairmen of their respective State AAA Committees.

W. R. Morgan has been named Assistant State Director for New Jersey. The Assistant State Director for Pennsylvania has not yet been designated.

ANDERSON DISCUSSES
LIVESTOCK PRICE POLICIES

In a recent speech before the National Livestock Association at Denver, Secretary of Agriculture Clinton P. Anderson pointed out three possible courses of action regarding livestock prices:

1. Both ceilings and subsidies could be dropped on June 30;
2. Subsidy payments could be discontinued and ceiling prices lifted enough to permit the subsidies to be absorbed in part or in whole; and
3. Subsidies and ceilings could be continued.

If Congress and the President decide it is necessary to "hold the line" on the cost of living after June 30, food prices must also be kept under control, the Secretary said.

He added that livestock producers will expect treatment similar to that of other agricultural producers who expanded production during the war. Under the Steagall Amendment, the Government has pledged to support prices to most of these producers at not less than 90 percent of parity.

SECRETARY WALLACE
TALKS TO FARMERS

Restoration of soil fertility is the first big task for farmers after meeting the heavy food demands of 1946, Secretary of Commerce Henry A. Wallace told farmers at a regional meeting of the USDA Field Service Branch at St. Paul, Minn.

He credited the "miracle of soil-building in the thirties" as making possible the abundant production of the forties. Since the soil has been drawn upon heavily during the war years, this fertility must be restored if farmers in this country are to remain prosperous and supply world demands for food.

"After World War I, the farmers of this country had no mechanism like the Triple-A through which they could rebuild their soil. The hillsides that had been put into dollar-and-a-half corn eroded. Much of the Great Plains acreage which had been plowed for two-dollar wheat blew away. Then prices fell -- and both the land and the farmer were defenseless. . .

"Today there is the bulwark built by you men of Triple-A and the farmers who work with you in the counties and the townships."

At the same time Secretary Wallace warned that farmers have markets for their products at a good price only if workers in the cities have money to spend. So, full employment in this country is of vital interest to farmers. When unemployment strikes, farm wages become depressed and farm prices follow the downward pattern.

"It will take a systematic, well-thought-out program of Federal measures that will direct the activities and policies of the national Government toward the basic objectives of full employment opportunity," Secretary Wallace said.

Joint action by free citizens, for common objectives, he urged as a way of obtaining measures directed at social and economic progress.

FINAL DATES SET ON
PROGRAM OPERATIONS

As a result of the New York City Conference of Northeast State AAA Committeemen and State Directors with representatives of the Regional Office held on January 8 and 9, the following deadlines have been set on operations of the Agricultural Conservation Program:

- June 30, 1946 - Final date for enrollment in the 1946 program.
- June 30, 1946 - Final date for filing the 1945 application for payment in the county office.
- Aug. 31, 1946 - Final date for the 1945 applications to be mailed to State offices from the county office. Any mailed after that date must have approval of the State Committee.
- Oct. 31, 1946 - Final date for delivering conservation materials to farms under the 1946 program -- securing materials at sidings, plants -- the use of purchase orders.

EGGS NEAR RECORD;

CHICKENS ABOVE AVERAGE

Egg production for 1945 totaled over 38 billion eggs - just 5 percent below 1944's record. This figure is larger than any other year except 1944, and 38 percent above the 10-year (1934-43) average production. Rate of lay was the highest on record, and the slight decrease from last year's production was due to a decrease in the number of layers.

Prices farmers received for eggs averaged 43.2 cents per dozen, the highest December price since 1924. Last year's December price averaged 44.4 cents a dozen. Favorable egg prices were responsible for farmers raising 10 percent more chickens than in 1944. Late-hatched birds were raised primarily for meat purposes and not flock replacements.

All chickens on farms on January 1, 1946 -- hens, pullets, and young chickens -- totaled over 528 million birds, 3 percent more than a year ago.

WEEKLY REPORT ON EGG
PRICES NOW REQUIRED

In order that the poultry Branch and the Regional Office be kept fully informed on the operations of the recently announced egg price support program, counties where there is sufficient egg production to warrant obtaining a report have been requested to make a weekly report to State offices on current and accurate price data.

The reports which are due in Washington every Monday should include the following information:

1. The cash price received by farmers for current receipts, specifying whether straight run or candled (loss off.) In both straight run and candled current receipts are being bought only the most prevalent one should be reported.
2. The prices to farmers for the two highest grades (large eggs) if eggs are bought by grades.

FEED SITUATION Latest report of the Department of Agriculture gives this picture of the country's feed supplies for the 1945-46 season: Feed grains and byproduct feeds -- About 2 percent smaller than in 1944-45, but 16 percent larger than the 1937-41 average; oats -- large; corn and barley -- carryovers probably will be reduced to fairly low levels at the end of the current season.

Total supplies of feed concentrates for the 1945-46 season, including feed grains, byproduct feeds, and wheat and rye for feed as of December 1 were indicated at about 158.5 million tons. This is nearly 3 million tons less than the 1944-45 supply. Total supplies of feed grains are larger than a year ago, but less wheat will be fed this season than last, and byproduct feed supplies will be slightly smaller than the record supplies of last season. Competition for available supplies of feed concentrates probably will be severe throughout the winter and spring.

Current feeding operations are on a large scale, especially in the Corn Belt, where feeding has been expanded to use large quantities of frost-damaged corn.

JANUARY - MARCH DAIRY ALLOCATIONS ANNOUNCED The Department of Agriculture has announced allocations of dairy products for the first quarter of 1946 which, except for butter -- supplies of which are seasonally low, provide U. S. civilians with about the same total quantity as in the October-December quarter.

Demands for foreign shipments continue large, but are somewhat less than in the final quarter of 1945. A total of about 500 million lbs. of dairy products are allocated for exports and shipments -- including U. S. territories and commercial outlets -- in the first quarter of 1946, compared with over 800 million lbs. allocated for the October-December quarter. Some of the supplies, however, which were allocated for October-December shipment will not actually be lifted until after January 1, so that January-March shipments may exceed the 500 million lbs. provided in the allocation.

CITRUS CEILINGS RESTORED Ceiling prices for fresh citrus fruits were restored January 4 because of excessive price rises. Warning had been given the industry that such action would be taken if price increases were not checked.

"While we want to get rid of controls," OPA Administrator Bowles said, "we do not intend to remove them until it is clear that prices are not going to advance sharply. When this happens . . . we will restore ceiling prices. Only by doing so can we protect the American people from unwarranted price increases and keep their confidence that the price line will be held."

When fresh citrus fruit was suspended from price control on November 19, it was generally selling below ceilings, and a bumper crop was expected. Prices were expected to continue generally to average below ceilings.

PRIORITIES REGULATION 33
TO AID VETERANS SECURE
HOUSING, EFFECTIVE JAN. 15

Priorities Regulation 33 sets up the War Conversion Housing Program of the Civilian Production Administration. It is designed to assist private builders, educational institutions and others to build moderate cost housing accommodations to which veterans of World War II will be given preference, by giving an III preference rating for certain building materials for the construction.

The regulation describes the methods of applying for the III rating, the circumstances under which the rating will be assigned, the materials for which it will be given, and the conditions imposed on the builder and succeeding owner in selling or renting the accommodations as long as this regulation is in force. Assistance will also be given under the regulation for the conversion of existing buildings which will provide additional habitable housing accommodations at moderate prices or rents. Veterans of World War II who wish to build houses for their own occupancy may apply under this regulation, subject to the restrictions of this regulation.

Ratings under this program will be issued by the Federal Housing Administration and may be used only to get the following materials (subject to amendment): Common and face brick, clay sewer pipe, structural tile, Gypsum board, Gypsum lath, cast iron soil pipe and fitting, cast iron radiation, bathtubs, lumber, millwork.

BOSTON EMERGENCY MILK
SHIPMENTS FOR JANUARY

Shipment of emergency milk into the Boston market during the current shortage in New England is being encouraged by the Department of Agriculture through continued suspension for January of certain provisions of Order 4 regulating milk handling in the Boston Marketing area. The action, first made effective to cover all November milk shipments, was extended through December and will now cover all January milk shipments.

For the period of suspension, handlers who ship less than ten percent of their receipts to the Boston market for fluid milk sales will not be required to: (1) equalize their producer payments with New England producer payments in the Boston market pool, nor (2) pay into the Boston pool the difference between the Boston Class I and Class II prices on all of their Class I milk which is sold in Boston. This difference amounts to about 70 cents per cwt. at city plants.

HEARING SCHEDULED ON
NEW YORK MILK ORDER

To assure proper pricing in the Metropolitan New York marketing area of an anticipated heavy production of milk during the 1946 flush season, cooperative associations of milk producers and handlers in that area have requested a public hearing on proposed amendments to the N.Y. Milk Order. Proposals put forward by the industry include revision of the pricing of the manufacturing classes of milk as well as raising of the Class I-A (fluid milk) price in the event that Federal subsidies paid milk producers are terminated or reduced.

The hearing will be confined almost entirely to presentation of evidence on revision of all class prices. However, it will also deal with definitions of milk classes, certain class butterfat differentials, and payments or credits to handlers on storage cream subsequently used in certain lower-priced classes. The hearing, called by both the USDA and the Dept. of Agriculture and Markets for the State of N.Y., will open on Jan. 17 in the St. George Hotel, Brooklyn; on Jan. 21 in the So. Junior High School, Watertown; and on Jan. 22 in the Onondaga Hotel at Syracuse.

INDUSTRIAL FEEDING HELPS FARMERS

A potential annual food market of a billion dollars or more is developing in the U. S. through better feeding of workers "on the job." Industrial feeding offers a concentrated as well as a broader market for farm products. Around 2,000 of the largest factories in the country, each employing over 1,000 workers, feed a total of 6 million workers daily. So the plan is well adapted to the quick disposal of seasonal farm surpluses.

This program replaces the traditional but inadequate lunch box or sandwiches with an adequate cooked meal. So it promotes better health to workers, and in turn greater industrial production.

At present, about 9 million workers now eat at least one meal a day in employee cafeterias. When the number reaches 12 million, the Department of Agriculture estimates that the billion-dollar market for farm products will be realized. This goal should be reached soon at the present rate of expansion of industrial feeding.

In-Plant Feeding Goes to War - On-the-job feeding of workers in factories, mines, utilities, trade, finance, and Government has existed for some time in the U. S. Before the war, some 2 million employees were fed in plants that served mid-day or mid-shift meals.

During the war, in the interest of production, health, and morale, and less absenteeism, the Government encouraged in-plant feeding, with emphasis on better diets for workers. With the war over and the demand for record-breaking industrial production lessened, the USDA is emphasizing industrial feeding as "an additional market for farm products."

How the Program Works - At the request of organizations which intend to install or expand an employee feeding service, USDA specialists will assist in planning the physical layout and design for this service. They will also give advice about equipment and food handling -- receiving, storage, refrigeration, and steam table operations.

Information is furnished on the preparation of food, meal planning, and cooking to save nutrients. A monthly service to in-plant food service managers plans daily menus based on available foods and stresses the best use of foods that will be in abundance during the period.

An industrial nutrition service reaches the workers themselves, teaching better eating habits and calling attention to "abundant" foods. For example, during January, both services are promoting increased consumption of eggs, oranges, grapefruit, breakfast cereals, wheat flour, roasting chickens and other fowl, particularly heavy tom turkeys, cabbage, and potatoes.

Scheduled for the heavy egg production period, beginning soon, is an intensive program to increase consumption of eggs among industrial workers, both through in-plant feeding and in the home.

How Much Food? - With an employment goal of 60 million workers sought by the Government in postwar years, industrial feeding will probably expand and serve an increasing number of workers.

(continued on page 7)

(Continued from page 6)

Feeding 12 million workers "on the job" would mean an annual consumption of: 1.4 million pounds of butter; 2,765 million pounds of milk and cream; 873 million pounds of meat; 151 million pounds of poultry; 1,733 million pounds of vegetables; and 493 million pounds of fruits.

The single serving to 12 million workers would consume 1.2 million dozen eggs, 4.3 million pounds of pork, 7.2 million pounds of potatoes, 3.8 million pounds of carrots, 6.5 million pounds of milk, 102,270 boxes of oranges, and 720,000 No. 10 cans of fruits and vegetables.

And good eating habits, acquired at work, will be carried home.

WFO 4.9 TERMINATED TO PERMIT SALES OF CIGAR FILLER TOBACCO The U.S.D.A. has terminated War Food Order 4.9 to permit resumption of sales of 1945 crop cigar filler tobacco, Types 41-44, effective Jan. 9, 1946. Type 41 is grown in Pennsylvania and Types 42-44 in Ohio.

The original order, WFO 4.9, prohibited future contract sales of the cigar binder and filler types. This order was issued to avoid maldistribution of the crop which would have resulted from advance buying. Since the order has been previously amended to permit the sale of the binder types, the restrictions are now applicable only to the filler types. Inasmuch as these types of tobacco are now ready for marketing, the limitations on sales are removed by terminating the order.

CERTIFICATES ISSUED TO For the six-month period ending December 1945,
ORDER 43 FOR FARM MACHINERY 551 certificates were issued by Northeast county committees to World War II veterans for the purchase of new farm machinery and equipment. The following figures show the number issued by States followed by the number of transactions completed: Maine, 37,3; New Hampshire, 19, 5; Vermont, none; Massachusetts, 10,1; Connecticut, 59,17; Rhode Island, none; New York, 140, 19; New Jersey, 125,13; Pennsylvania, 191, 16. Massachusetts reported two certificates cancelled.

KARL C. HAMNER TO HEAD Appointment of Dr. Karl C. Hamner as director
USDA LABORATORY AT ITHACA of the Department of Agriculture Plant, Soil, and Nutrition Laboratory at Ithaca, N.Y. was announced recently by P.V. Cardon, Administrator of the Agricultural Research Administration.

Dr. Hamner succeeds Dr. L. A. Maynard, who has been director of the laboratory since it was established in 1939. Dr. Maynard will return to Cornell University, where he will continue his relations with the laboratory as a consultant in animal and human nutrition.

Dr. Hamner has been on the staff of the laboratory since its beginning. He was employed in the Bureau of Plant Industry from 1935 to 1940, when he joined the staff of the laboratory.

The work of the laboratory is directed toward finding relationships between the soil and nutrition of plants, animals and people. It is conducted in cooperation with several of the State agricultural experiment stations.

FARM PRODUCTION
GOALS SET

Farmers can now forge ahead in planning their production for 1946, the first full postwar year. Final national goals announced by the Department of Agriculture call for more than 296 million acres in cultivated crops, about a million more than were originally submitted for State review last December.

Acreages for such urgently needed crops as rice, dry beans, sugar beets, and flaxseed show increases over goals suggested to States. Small increases appear in final goals for feed grains. An increase of 1.3 million acres is indicated in land planted to hay.

The original milk goal suggested to States was 120,517,000,000 pounds while the final goal is increased to 120,824,000,000 pounds.

While goals for sugar crops had previously been suggested at estimated maximum production capacity, State recommendations indicated growers might increase this acreage slightly, in view of the extreme shortage of sugar.

National goals for peanuts (for edible purposes only), potatoes, and burley tobacco were originally suggested at maximum levels, in view of prospective demand and the most efficient use of land. Since combined State recommendations would have totaled more, States have been asked to revise them, so that growers may plan their operations in accordance with the final national goals.

Livestock goals are set as high as feed resources will permit, even with the increased feed crop goals for 1946. Final goals for chickens and eggs are maintained close to original national recommendations. State goals for spring pigs have been adjusted to sow-breeding intentions. States indicating breeding intentions below tentative goals are being asked to adopt the intentions figure as their goal.

Individual State goals will be forwarded to State offices this week.

ORDER WFO 9 RESTRICTS
USE OF PROTEIN MEAL

War Food Order 9, restricting the use of protein meal in the manufacture of mixed feed for livestock and poultry, has been reissued and becomes effective immediately, the U. S. Department of Agriculture has announced.

This order has been re-issued in an effort to prevent feed shortages in important livestock areas of the country, and to effect more equitable distribution to all classes of users in all areas.

Beginning immediately, no feed manufacturer may use more high protein meal in making mixed feed for feeding livestock (other than poultry) than the quantity used for that purpose in the corresponding calendar quarter of 1945. No person may use in the manufacture of poultry feed a larger quantity of protein meal than the following percentages of the quantity so used in the corresponding month of 1945:

January and February 1946	— 100 percent
March 1946	— 95 percent
April 1946	— 90 percent
Other months	— 85 percent

This limitation is in line with the 1946 goals calling for a 15 percent reduction in egg production, and 17 percent in chicken numbers raised on farms.

U.S. LANDS Millions of hungry and homeless European people are receiving
HELPING HAND aid from the U. S. through UNRRA, a recent State Department
 report points out. Relief in the form of food, fuel, clothing,
and medical supplies reached 354 million people in Europe and Asia during 1945.

Each country has a problem of its own. France lost a great part of her 1944 sugar-beet crop because transportation had broken down and coal was lacking for refineries. Yugoslavia lost 100,000 tons of her grain crop in the area because of disrupted internal transport. Starvation in other areas was the result. Denmark has food for export, but needs coal to transport it to needy neighbors.

During 1945, about 9 million tons of U. S. food were made available to the paying governments of liberated Europe, to UNRRA, to the Philippines, and for military relief feeding.

But even paying governments did not receive all the sugar, fats and oils, canned fish, and rice they needed. Diets of the liberated peoples were sustained, not improved, and are still below the minimum level of subsistence.

FROZEN MILK Frozen homogenized milk, used by the Army during the war to supply milk to men on hospital ships, now offers promise for sea-going travelers as well as for milk-short areas such as the Panama Canal Zone, Bermuda and other outlying islands, dairy specialists of the Department of Agriculture believe. The milk served on hospital ships is pasteurized, homogenized, and kept frozen in paper containers until thawed for serving. It holds its fresh flavor well for as long as 3 and 4 months, and has been favorably received by military patients who drank it at the rate of thousands of quarts a week.

To save space on ships, the Army experimented with frozen concentrated milk, but it did not prove successful because it does not hold its flavor nearly as long as the frozen whole milk.

COMMERCIAL WHEAT AND FLOUR The Department of Agriculture has authorized
EXPORTS AUTHORIZED FOR FEB. the commercial exportation of 387,000 long tons of wheat and flour equivalent (approximately 14,500,000 bushels) in February to seven European countries and French North Africa. The January authorizations totaled 288,300 long tons (10,750,000 bu.)

The February authorization specifies 300,000 long tons for France, including French North Africa and the French Zone in Germany; Belgium 20,000 long tons; Netherlands, 21,000 long tons; Norway 8,000 long tons; Spain 8,000 long tons; Portugal 12,000 long tons; and Switzerland 8,000 long tons. Procurement may be made in the form of either wheat or wheat flour, 710 long tons of flour being equivalent to 1,000 long tons of wheat.

MONTHLY EGG AND POULTRY December egg markets were firm. Receipts gained
MARKETS REVIEW seasonally, while storage reserves ceased to be a factor of importance. Demand continued in excess of supply, but to a diminishing extent. Frozen eggs were steadier. Prices advanced about 2¢ per pound, storage stocks were moderate, and the rate of disappearance normal. Dried eggs were steady to firm and quiet. Movements of poultry, live and dressed, continued at record heavy volume with prices fairly well maintained, although strong speculative demand was tempered somewhat as the month advanced. Turkey markets were firm, with close clearance of weights under 20 pounds, but heavier weights discounted below ceilings.

AN OUTSTANDING CROP
INSURANCE SALESMAN

AGENT: T. A. Gupton, Mt. Pulaski, Ill. Farmer, formerly a country school teacher; taught in Logan County for 15 years. Community committeeman for about 5 years; always enthusiastic worker for AAA programs. Well liked by farmers, who respect his judgment.

RECORD: Sold 213 contracts covering 257 farms.

METHODS: Most effective argument was "just as good business to insure crops as to insure buildings or life." If this did not work, he suggested that this was more or less of a trial affair; upon farmers' participation depended life of any insurance program offered farmers. Pointed out tremendous assistance farmers have realized from AAA program.

NOW "INVENT'S A-BARIN" Emery Newell of the Maine State Office roars disapproval of pork shortage. "Intrigued," he says in letter to Agriculture in Action which is quoted below.

"The laymen and consumers in central and north central Maine are quite intrigued by the statement which appears on page 2 of 'Agriculture in Action' Jan. 3, 1946, which appears as follows:

"Producers are urged to keep in touch with their markets and with market news to plan for sales in a way to prevent an oversupply (Ed: at packing plants) such as occurred about a month ago when hog prices dropped off 75 cents to \$1 from ceiling levels."

"While restaurants and hotels in this area appear to have some pork products appearing on their tables the appearance of a roast pork on the family table for the past two years, especially the past six months, has called for a celebration unequalled by the appearance of any turkey or chicken at any time in the history of our area.

"We housewives have managed to have some beef on our table most of the time but as for a roast pork . . . oh, what a memory of prewar days! (Signed: Newell W. Emery, Administrative Assistant)"

EVAPORATED, CONDENSED,
AND DRY MILK REPORT

Production of canned evaporated milk in November was substantially below that of a year earlier, according to the Department of Agriculture. Estimated at 165 million lbs., the November output was 22% less than in November 1944 and 2% less than the 5-year (1939-43) November average. This was the first time this year that current monthly production of this commodity had dropped below the 5-year average for corresponding months. Production for the year through November, however, is still considerably ahead of that of the corresponding period last year. Estimated at 3,613,901,000 lbs., it is 13% larger than the January through November output of 1944.

Production of canned condensed milk in November was larger than in November 1944 and above the 5-year November average. Estimated at 9,300,000 lbs, it was 6% larger than the November 1944 output, and 51% larger than the 5-year November average.

Production of all dry milk products in November, with the exception of dry whole milk, continued to fall below the level of a year earlier. Production of dry whole milk in November totaled 11,590,000 lbs., an increase of 12% over November last year, and 186% over the 5-year November average.

RADIO TRANSCRIPTION

A. W. Manchester, Director

Northeast Region, Field Ser. Br.

Production & Marketing Adm., USDA

Jan. 17, 1946 - 6:15 a.m.

Station WBZ - Boston, Mass.

MID-WESTERN FARMERS' OPINIONS

My work took me to St. Paul, Minnesota, last week. I very seldom visit the Middle West, so I was particularly glad of the chance to talk with farmers there and get some impressions of how they are thinking about the issues that confront agriculture now.

Of course, I can't claim that the casual conversations of a couple of days constitute a comprehensive or reliable survey of farmer opinions. I might be all wrong in the impressions I formed.

But, anyway, here's the way they talked to me. St. Paul is really out in the butter country. It is also a great livestock market and close to great wheat milling industries. A lot of agriculture centers or points up there.

There was a great deal in the papers there about butter. Apparently, there is a drive on to get the price of butter raised enough or the price of cream shoved down enough so that a lot more cream will be churned into butter. That would mean more butter and correspondingly less cream, ice cream and other dairy products on the market.

I still am not sure what the men who milk the cows think about it. I asked quite a few and their answers were far from alike. In fact, they didn't seem much concerned. Their principal interest naturally is much more in what they sell their cream for than in what happens to it after it leaves their hands. And cream shipped to the market for sale as cream is bringing a good price.

I found, too, that most of them were decidedly opposed to anything that would bring on inflation. Whether or not they felt that an increase of 10 or 20 cents a pound in the price of butter would have anything to do with inflation wasn't very clear.

Most of the folks back here whom I know are dead against inflation, too, but a good many would like a little increase in the price of the thing they have to sell. They don't figure that their particular increase would be the straw to break the camel's back.

But there are some exceptions. I have talked with great numbers of milk producers who are against any increase in the retail price of milk. They want their customers to be able to keep on buying as much milk as they are buying now, and they are afraid that higher-priced milk would kick off inflation.

I've heard a good many western wheat growers, too, say that they think the price of wheat is high enough.

Contrary to some of the things that I had been hearing about farmers wanting to produce to the limit, I talked with several men from the Middle West who wanted to put their farms on a little less-intensive system than they had stepped them up to under war pressures.

Radio Transcription - 2

One Eastern Nebraska farmer I talked with will illustrate this. He has a quarter-section farm -- 160 acres. He normally raises 50 to 60 acres of corn, about as much more oats and barley, combined, and the rest is in clover or pasture.

In the war he planted from 70 to 80 acres of corn at the expense of the others, particularly the clover. He wants to go back to the old system. He wants to maintain his soil fertility and keep up his yields, and he wants that clover to help do it.

Speaking of corn, quite a few of the men I talked with were pretty pessimistic about next spring's grain supply. They say that they have had to feed a great deal more of this year's corn to finish their pigs than they usually do because it's "soft" corn. "Soft" corn would fatten hogs all right, but it took more of it.

Of course, I talked largely with men from the area where immature corn was most common and probably got an exaggerated impression of the feed problem as a result. But there's plenty of reason to fear a grain shortage before this year's crops are harvested.

I was surprised at how universally these Middle Westerners supported the idea that agriculture needs full employment and high wages in industry to give it a good market.

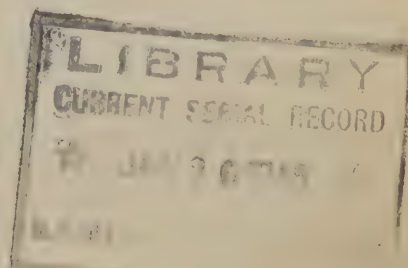
I knew that most thoughtful eastern farmers were thoroughly and increasingly convinced that their welfare is closely tied in with the buying ability of their customers. But I had supposed that the Middle Westerners, living farther away from those customers, weren't as aware of the interdependence of one group with the other.

What I heard on the subject from Middle Westerners was just as convincing as what I have heard from Easterners.

Every contact that I have with farmers from other regions impresses me with the fact that farmers all over this country are in much closer agreement than has been assumed. The old barriers and conflicts are pretty well gone.

That's a good omen in these days when we all need, as we've never needed before, to live together in full cooperation, both across this broad country and with those beyond the seas.

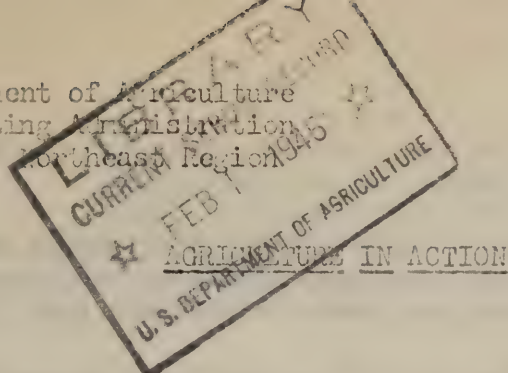
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United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.

January 23, 1941



Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester

A. W. Manchester
Director, Northeast Region

LET'S NOT RUN OUT OF FEED I said a word about the potential shortage of livestock feed last week. Since that time every new development has increased my concern. The feed problem could easily develop into one of the most critical issues that has confronted Northeastern dairy and poultry farmers in a long while.

The basic situation is this: We have for generations had, as a rule, abundant feed supplies in this country. Our capacity to produce feeds was in general in excess of the demand for livestock products.

Under those conditions it was more profitable for Eastern livestock producers to buy the grain that they fed to their cows and hens -- particularly those producers nearest to the big markets where, as a rule, milk and egg prices were substantially higher than in the rest of the country and grain production was difficult and costly.

Across the Northeast Region, as one goes from the southern and western borders, less and less grain is raised and the numbers of cows and hens grow larger and larger in comparison with the acres of land available for raising feed.

That leaves the poultry and dairy industries of Eastern New York, New Jersey, and New England in a peculiarly precarious situation under present conditions. Nor is it sure that those are conditions that will pass with this summer's harvests.

For, now, livestock numbers have been expanded in this country to the point where they press very hard on our feed supplies and our ability to raise feed.

Feed grain reserves have steadily gone down over the past few years in spite of the fact that the farmers in the country have been raising the biggest crops in history and we have been feeding previously unheard-of quantities of wheat, besides. In 1940 and 1941, our carryover of feed grains from one crop year to the next was around 23 million tons. At the beginning of this year it was down to 14 million, and it bids fair to be much less when this year ends.

Still, our production of livestock products can't meet the demands. We are short of meat even without the strike. We are short of milk, and I don't need to mention butter. Even eggs and poultry aren't developing the surpluses that were forecast earlier.

(continued on page 2)

(continued from page 1)

Every day evidence piles up that when the American people have the money with which to buy the things to eat that they like best, the demand for livestock products stays at a level that requires all the feed that the country can raise, and perhaps more.

Whether this is a condition that is likely to last for several years is pretty hard to guess. We are exporting some livestock products and the quantity is likely to grow less as the armed forces decrease and Europe gets back onto its feet. Yet, Europe's recovery will be slow and the boys in the armed forces will still eat when they get home, and I hope that they will be able to eat better than when they were in the service. If buying power stays up, it is an open question whether demand will be satisfied with the quantities of livestock products available now.

Then, too, in a year or two some grain from some sources that are now shut off may become available. The export demand for wheat to ship to starving peoples will leave very little for feeding in this country for the rest of this year. Under normal conditions, when, if ever, we get back to them, there should be some wheat left over for feed.

The importation of Canadian oats which have been a lifesaver for Northern New York and New England in shortages of the last few years will be practically shut off at least for the rest of this season. Some should be available in later years.

It's impossible to work out an exact balance sheet for the years ahead. But it is clear that recurring grain scarcities are probably enough to justify close watching and planning.

That planning can reach into many fields:

What can we do to increase our own feed production?

What adjustments in feeding methods can be made to take advantage of our rapidly improving hay and pasture so as to make less grain necessary?

Are adjustments in livestock numbers necessary?

Are any steps possible to assure a more equitable distribution of what concentrates are available?

Should we be attempting to facilitate greater imports of feed grains -- if and when there are some to import? They aren't available now.

All of these questions involve grave problems. But feed scarcities and forced liquidation of livestock are graver.

The issue lies before us. It's time we came to grips with it.

---Radio Transcription by A. W. Manchester, Director, Northeast Region, Field Service Branch, Jan. 24, 1946, WBZ, Boston, Mass.

FOOD SUPPLIES MAY EXCEED
REQUIREMENTS BY 1950

Supplies of flour and cereals, eggs, butter and fats, tomatoes and citrus fruits, dry beans and peas, nuts, potatoes, and sweet potatoes may be more than ample to meet food requirements in 1950, according to a recent report of the Department of Agriculture. Economists considered two levels of consumption in reaching this conclusion: A base level, and a high level.

The base level of consumption would be in terms of 1941 prices with a national income of 105 billion dollars. At this level, all income groups above \$1000 per year would be able to buy and consume food necessary for subsistence. Income groups below \$1000 at the base level, could scarcely avoid serious malnutrition. Food output comparable to 1943's would be in excess of total food requirements.

High-level consumption was estimated according to (1) what foods people need to sustain good health, and (2) what foods people with higher incomes would like to consume. At this level, consumption increases would occur in some food groups -- milk, leafy green and yellow vegetables, meat, poultry, and citrus fruits.

Only those in the highest income brackets would consume extra large supplies of some foods. Consumers would need approximately \$3.4 billion additional income over that at the base level. Of this figure, approximately \$1.7 billion -- or half-- would return to farmers.

Reaching the high level of consumption over the base level would ease the over-all surplus problem, according to the report, but "would not eliminate the need for production adjustments." Then too, agricultural methods will tend to become even more efficient, bringing production up to exceed consumption requirements.

Food consumption in 1950 will depend on (1) full employment, (2) the distribution of the national income, and (3) knowledge of nutritional standards by the general consuming public.

SHEEP AND LAMB PROGRAM
PAYMENTS FOR DECEMBER

Steuben County, New York, led counties in the Northeast Region in December payments to sheep and lamb producers with a total of \$4,725.07. Other counties making payments over \$1,000 were: New York - Yates \$3,362.06, Schuyler \$1,630.05, Orleans \$1,843.67, Niagara \$1,686.32, Livingston \$3909.16, Genesee \$4,364.80, and Allegany \$3,034.12; Maine - Penobscot \$1,072.61; New Jersey - Bergen \$2,049.18; Pennsylvania - Greene \$2,168.09, Mercer \$1,080.65, and Washington \$3,135.48.

Payments by States were made as follows:

<u>State</u>	<u>No. of Head</u>	<u>Pounds Sold</u>	<u>Net Payment</u>
Maine	1819	174,757	\$2,378.01
New Hampshire	58	4,794	79.54
Vermont	705	64,104	1,193.83
New York	37,170	1,958,632	31,552.69
New Jersey	1,126	97,635	2,049.18
Pennsylvania	10,781	900,599	13,446.29

TRUMAN URGES CONTINUED
FOOD SUBSIDIES

President Truman, in his annual message to Congress, said that food subsidy payments would have to be continued beyond next June 30 if "our people are to be protected against the inflationary dangers which confront us."

If food prices were allowed to rise by the amounts of the various subsidies, it would be "extremely difficult" to control the forces of inflation, Mr. Truman explained. The cost-of-living index for food would increase more than 8 percent.

The President said that the Government's first obligation to farmers during the reconversion period is to make good on its price support commitments.

"This we intend to do," he added, "with realistic consideration for the sound patterns of production that will contribute most to the longtime welfare of agriculture and the whole Nation."

He emphasized the importance of maintaining job opportunities and purchasing power so people can buy full diets at market prices. When purchasing power falls below this level, we should use special consumption programs. He praised the school lunch program "as one of the best possible contributions toward building a stronger, healthier Nation."

1945 ACP PROGRESS
REPORT FOR DECEMBER

Progress reports on the 1945 Agricultural Conservation Program for the period ending December 31, 1945, are summarized below for States in the Northeast Region.

Enrollments in the 1946 program are also shown as compared to 1945.

State	Performance Report		Application for Payment			Farms Enrolled		
	Est.	Farms	Est.	Rec'd				%
	Participating	Rep'ting	Total	in	Per-	1945	1946	1945
	Farms	Perform-	Appli-	State	centage			of
		ance	cations	Office	Rec'd			1946
Maine	11,757	1,756	3,744	525	14.0	12,673	1,495	11.8
N.H.	5,636	2,712	1,510	38	2.5	5,843	2,898	49.6
Vt.	12,772	10,609	2,946	-	-	13,287	8,981	67.6
Mass.	9,049	2,702	4,650	168	3.6	10,433	2,616	25.1
R.I.	961	172	311	-	-	961	209	21.7
Conn.	5,628	78	2,295	-	-	5,663	81	1.4
N.Y.	74,799	12,352	26,541	-	-	77,219	16,313	21.1
N.J.	12,011	2,539	10,156	-	-	12,992	2,966	22.8
Pa.	93,863	6,727	44,284	875	2.0	103,664	5,701	5.5
Total	226,476	39,647	96,437	1,606	1.7	242,735	41,260	17.0

Payments totaling \$109,129 were certified through January 11, 1946, representing 2.5% of the total estimated payments in the Region for 1945 in Maine, \$52,845 - 17.6%; Pennsylvania, \$56,284 - 3.5%.

LIQUOR DISTILLERS MUST
CUT DOWN ON GRAIN

The Department of Agriculture has issued an order directing liquor distillers to reduce by 25 percent the amount of wheat, corn, and rye used for the manufacture of distilled spirits -- mostly whiskey and alcohol. It was the first order restricting the use of wheat for distilling. The order resulted from the effects of the packinghouse strike on livestock feed supplies.

FARMERS' COOPERATION
NEEDED IN PLACING
ORDERS AND ACCEPTING
EARLY DELIVERIES OF
CONSERVATION MATERIALS

The late start of the 1946 Conservation Materials Program makes it more important than ever that farmers place their orders for both lime and super-phosphate early and accept delivery when the suppliers can get the material to them.

The Regional goal of 2,000,000 tons of liming material will have to be delivered in a shorter time than the same tonnage in 1945 because of the late start and because of the decision to complete deliveries on October 31, 1946, in order that farmers would have some time before snow and bad weather to get the material used. Even though suppliers have had only a few orders placed with them reports are coming in that farmers are refusing to accept delivery.

On the basis of present information, it appears that the Northeast delivery goal for 1946 cannot be reached unless a volume of orders is placed immediately and unless farmers accept delivery when suppliers arrive at their farms. Every ton which farmers refuse probably means that the goal will not be met by that amount.

The policy now in effect allows a supplier to bill for the trucking involved if a farmer refuses to accept delivery. Bills are to be submitted to the Washington office and will be returned to the county office through the State office with the request that the farmer's order be canceled and that the supplier be paid from the cash collection which the farmer has advanced. If the bill is not more than the cash collection, then the difference may be returned to the farmer. If the bill is for more than the cash collection, the county office should pay only that amount which has been collected from the farmer. If the farmer wishes to re-order, he may with the approval of the county committee by advancing another cash collection. Each case reported by a supplier will be thoroughly investigated.

1946 LIMING MATERIALS
REPORT THROUGH JAN. 11

Orders for approximately five percent of the total estimated liming material orders for 1946 were received in State offices in the Northeast as of

January 11, 1946. State reports follow:

State	Estimated Needs for 1946	Ordered Received by State Office (tons)	Deliveries Reported (tons)
New Hampshire	38,700	3,223	832
Vermont	73,915	26,422	11,963
Massachusetts	79,785	11,399	2,725
New Jersey	100,000	6,048	1,309
New York	728,390	11,636	1,608
Pennsylvania	857,051	30,633	1,651
Maine	92,000	4,948	1,389
Connecticut	59,460	718	84
Rhode Island	8,000	919	None
Total	2,037,301	95,946	21,561

* * *

---February 15, 1946, is the last date farmers may file reports of performance in the county office for an application for payment under the 1945 ACP.

ARMY RECALLS FROZEN EGGS RELEASED TO USDA Plans to dry 60 million pounds of government-owned frozen eggs have been changed by the Department of Agriculture. This action was taken when the War Department recalled for its own use, 70 million pounds of frozen eggs which it had declared "surplus." Shortages of protein foodstuffs prompted the Army action in order to feed the armed forces.

About 24 million pounds of the frozen eggs were to be used by USDA to meet foreign commitments. Now it will be necessary to purchase an equivalent amount of dried eggs on the open market.

WORLD FERTILIZERS IN SHORT SUPPLY Commercial fertilizers for world food production in 1946 may continue in seriously short supply, according to the Department of Agriculture. The world shortage of plant foods (nitrogen, phosphoric acid, potash) is estimated at about one million short tons.

Requirements for fertilizers in liberated countries have made the existing shortage worse. Even though war plants have been reconverted to production of fertilizers, the supply doesn't meet the increased demand.

However, farmers in the U.S. should have fertilizers sufficient to maintain high level food production. Prospective 1945-46 supplies available for U.S. farms are:

Nitrogen - about the same as a year ago.
Potash - about the same as a year ago, but with less in sulphate form.
Phosphate - somewhat more than a year ago, with an increase in ordinary superphosphates.

Two ways to meet the world shortages were outlined: Increase production to the maximum and ship materials from surplus areas to deficient areas, and reduce the level of fertilizer use in all countries.

CCC WHEAT LOANS Commodity Credit Corporation through December 31, 1945, had completed 33,616 loans on 55,564,226 bu. of 1945 wheat in the amount of \$74,759,147.88. The wheat loans made include 18,814,064 bu. stored in warehouses. The average amount advanced was \$1.345 per bu. which includes some transportation charges from the area of production to warehouse locations.

The report through December for States in the Northeast Region making what loans is as follows:

State	No. of Loans	Bushels	Amount of Loan	Service Fees
New York	6	4,396.68	\$ 7,077.21	\$ 37.45
New Jersey	21	10,969.32	18,269.05	54.42
Pennsylvania	205	69,343.72	109,778.55	439.62

* * *

The number of cattle, sheep, and lambs on feed for market on January 1 was slightly less than a year earlier, according to the Bureau of Agricultural Economics. The number of cattle on feed was down 4 percent; sheep and lambs, down 2 percent. Biggest drop in cattle feeding was in the Corn Belt, a reduction of 5 percent.

SALE OF U.S. BONDS TO
CONTINUE; LAST DRIVE
OVERSUBSCRIBED IN REGION

of the Field Service Branch.

Farmers have purchased over 5 billion dollars' worth of War and Victory Bonds, according to word received from the Treasury Department and passed along to AAA committeemen by N. E. Dodd, Director

State and county organizations received high praise from the Treasury for their fine cooperation in promoting sales of the bonds. This work, Mr. Dodd said, not only contributed substantially toward financing the war, but also helped farmers build up reserves which can go far toward creating a prosperous peacetime agriculture.

"Though the war is over," Mr. Dodd stated, "farmers still have the opportunity to add to their financial reserves. Production goals just announced show continuing high demand for farm products, and farm income should be high for another year.

"Although there will be no organized campaigns, the sale of U.S. Savings Bonds will continue. They will be on sale by most of the issuing agents that sold War and Victory Bonds during the war, including banks and post offices. Here is another chance for farmers to carry on the fight against inflation and assist farmers in creating a bond investment big enough for real financial security. Buying U. S. Savings Bonds is a sound way for farmers to build for the future."

State office personnel in the Northeast Region, in the last Victory Bond drive, attained 334.3 percent of their quota which amounted to 30% of one month's gross pay (October). The Regional office reached 151% of their goal. The following represents each State's quota followed by the percentage attained: Connecticut - \$274.00, 335%; Maine - \$1433.45, 615%; Massachusetts - \$771.00 (30% of gross payroll as shown on monthly bond report for October), 786%; New Hampshire - \$762.91, 152%; New Jersey - \$801.33, 549.9%; New York - \$3160.49, 139%; Pennsylvania - \$ 3767.40, 306.6%; Rhode Island - \$520.00, 245.3%; Vermont - \$1266.16, 215.5%.

HATCHERY PRODUCTION Output of chicks during December was below a year ago for the first month since March. Commercial hatcheries produced 35,498,000 chicks during December, compared with 37,156,000 in December last year -- a decrease of 4 percent. The preliminary estimate of chicks produced during 1945 is 1,597,421,000, compared with 1,288,491,000 in 1944 -- an increase of 24 percent. The output of chicks during 1945 was the largest of record in 23 States. Most of the States which had these record hatches produced large numbers of commercial broiler chicks during the last half of the year. All of the Atlantic Coast States with the exception of Florida and South Carolina reported a record hatch during the year.

Many hatcheries reported more orders on hand for general farm flock replacement than a year ago. For the country as a whole, the number of chicks booked on Jan. 1 for later delivery was 26 percent larger than the number booked a year ago. Crop goals for 1946, compared with the production in 1945 call for a 15 percent reduction in egg production, a 17 percent reduction in chickens raised on farms, and 10 percent fewer turkeys.

AN OUTSTANDING CROP
INSURANCE SALESMAN

AGENT: Elmer Griffith, Coeur d'Alene, Idaho. Recently employed by Extension Service in Kootenai County to assist in farm labor program. Previously worked for county AAA office; operated a farm 1919-44. Experience in selling various commodities -- worked in feed and seed business, sold automobile insurance. Well acquainted with program.

RECORD: Sold 100 contracts covering 336 farms.

METHODS USED: Approached farmers, talked over crops, conditions of farm, etc. Presented crop insurance picture, supplemented by data from his own files and from AAA office. (Knows 90 percent of county farmers by first names. Uses his own personal experiences in farming as a talking point. Most effective argument in selling was to prove that a loss might be expected no matter how good the farmer might be. Sale of insurance must be accomplished solely on basis of protection offered for the low premium.

MOST SERIOUS HANDICAP: Lack of available accurate data on yields. Most farmers claim better farming methods have increased yields, making information in FCI out of date. Lack of yields on individual farms over a longer period makes it almost impossible to convince farmer that listing-sheet yield is not out of line. Prospect eventually brings up subject of yields. (This is the third in a series of articles on outstanding crop insurance salesmen)

DAIRY PRODUCTION PAYMENTS
JANUARY THROUGH JUNE, 1945

Dairy Production Payments to producers on milk and butterfat sold in January, February, and March, 1945, are shown below.

State	Producers	Milk Sold (Cwt)	Butterfat (Lbs)	Payments
Maine	6,716	846,520	230,325	\$ 701,990
New Hampshire	3,660	633,662	52,813	512,646
Vermont	13,301	2,823,607	151,652	2,275,257
Massachusetts	5,747	1,701,665	33,988	1,524,811
Rhode Island	844	301,038	1,948	270,881
Connecticut	4,723	1,434,164	7,120	1,290,636
New York	69,032	16,061,425	460,160	12,891,269
New Jersey	4,744	2,240,132	2,736	2,015,602
Pennsylvania	53,690	9,556,543	686,203	7,715,573
Total - NER	165,507	35,598,756	1,625,945	29,198,665
U.S. Total	1,843,296	157,225,436	159,083,256	\$125,351,565

APRIL, MAY, JUNE

Maine	7,047	1,141,529	320,270	\$ 557,513
New Hampshire	3,748	778,734	69,865	364,290
Vermont	13,350	4,301,028	216,908	1,976,758
Massachusetts	5,789	1,908,275	47,261	1,083,723
Rhode Island	820	345,286	2,226	194,506
Connecticut	4,673	1,687,611	10,447	949,325
New York	71,189	23,841,608	840,104	10,916,064
New Jersey	4,738	2,611,980	3,894	1,522,400
Pennsylvania	53,322	12,865,432	1,299,576	6,032,623
Total - NER	169,676	49,481,483	2,810,551	23,597,202
U.S. Total	2,046,043	217,457,377	242,265,500	\$117,567,782

(Agriculture in Action -- Issued weekly and distributed in the Northeast to State AAA Committeemen; State Offices of PMA; Farmer Fieldmen; County Offices in Massachusetts, Connecticut, Pennsylvania, New Jersey, and New Hampshire; County committeemen in New Jersey, Pennsylvania, New Hampshire, and Rhode Island.)

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United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.

January 30, 1946

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U.S. DEPARTMENT OF AGRICULTURE
AGRICULTURE IN ACTION ☆

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration Programs and provide understanding of related actions.

A. W. Manchester

A. W. Manchester
Director, Northeast Region

MEAT, POTATOES
AND SUBSIDIES

I want to report on meat and potatoes and subsidies. I never do have sense enough to stick to safe subjects.

But I'll start with potatoes. That's a relatively tranquil field just now. It wasn't last fall and it probably won't stay that way long, but the potato world is fairly quiet at the minute.

According to the last reports there are around 15 million bushels, or 15 percent, more potatoes in the country than there were a year ago at this time.

There weren't quite enough then. You may remember we had some minor market shortages last spring and early summer. But it wouldn't have taken 15 million bushels more to satisfy all the wants then and, probably, not anything like 15 million bushels.

There is a favorable side to the situation now. Europe wants potatoes right away to help ward off starvation. It wants a lot of potatoes, enough to make a sizeable hole in any surplus there is in that 15 million bushels, perhaps to take most of them, if they can be shipped to the seaports and across the water.

Up to now the big obstacle has been the shortage of refrigerator cars. The deal for the potatoes was arranged long ago, but the cars haven't been available in numbers large enough to make the movement practical and effective. It takes around 300 carloads to make an ordinary boat-load and too often there have been only 15 or 20 cars a day available. Strenuous efforts are being made to get these potatoes rolling in really substantial quantities.

The shortage of refrigerator cars has two explanations. One is that they have been wearing out faster than they were replaced during the war. The other is that the extra quantities of fruits and vegetables and other perishables that American consumers now have the money to buy call for more cars than were needed before.

The 15 million bushels of extra potatoes this year aren't in the Northeastern States. In fact, we have over 3 million bushels less than we had last year. Most of the shortage is in New York and Pennsylvania. New England has practically the same quantity as a year ago.

The large supplies are mainly in the Red River Valley of Minnesota and North Dakota, in Idaho, Nebraska, and that general area. They are a long ways from the seacoast. That makes the problem a little harder.

(continued on page 2)

(Continued from page 1)

Now, what about meat? It's pretty tame just now to talk about meat and dodge the subject of the strike. But I'm going to do just that. I haven't had anything to do with running Swift's or Armour's and can't give you any inside information.

What I wanted to say about meat was that, with the strikes over, the meat supply ought to be pretty fair for the next few months. It is estimated that the number of cattle to be fed for slaughter this winter is a record, or very close to it, and that those cattle will be marketed pretty fast because of corn scarcities. The total 1945 pig crop was about 4 percent bigger than the year before. In addition, more of those pigs were fall pigs, so that the number coming to market in the spring and summer ought to be up substantially more than that 4 percent.

Just what is going to happen in regard to poultry meat is pretty hard to forecast.

On the one hand are the reports that chick orders for laying flocks, particularly, are larger than those of a year earlier. On the other is the fact that poultry feed bids fair to be pretty hard to get. The protein meal order limits the amount that can be manufactured into poultry feed mixtures next spring to 85 percent of that used last year.

It's a bit of a puzzle how those 126 percent of chicks that were booked on January first are going to be fed on that 85 percent of poultry feed that is authorized for next May and the following months of 1946. But, as the gentleman said when he was asked whether he believed in the future life, "I'll sure, soon find out."

Now, as for food subsidies. An official announcement has now been made that "the policy of making termination of subsidies subject to general stabilization of the cost of living . . . still governs the subsidy removal program," and "it now appears . . . will require the continuation of major food subsidies beyond June 30. Congress is being requested to authorize payment of subsidies for the fiscal year 1947."

Just what the implications of this are to the milk production payment has not been stated. In fact, no final statement can, of course, be made until Congress has acted.*

It does appear clear however, that the earlier statements of intention to stop payments by or before June 30 must now be regarded as officially retracted.

I recognize that dairy farmers need information as to what is going to be done on price matters just as early as possible. They make their commitments far in advance. But in this case, I don't see how the facts can be given them until Congress has had an opportunity to study the matter and reach its determinations.

---Radio Transcription by A. W. Manchester, Regional Dir., FSB
Station WBZ, Boston, Mass., Jan. 31, 1946, 6:15 a.m.

5% PROTEIN SET The 5 percent set-aside of oilseed meal by processors
ASIDE IN FEBRUARY will be continued through February for distribution as
 directed by the Department of Agriculture. The set-aside
percentage is the same as for the first 10 days of the set-aside order effective
January 21.

Reports indicate that the set aside order and the new restrictions on the use of protein meal in mixed feed manufacture are getting desired results. The orders were designed to improve the distribution of scarce meal among all users.

At present, the shortest supply areas are Michigan, North Carolina, Florida, Oklahoma, Texas, Wyoming, and Colorado. Meal is being directed to those sections to meet the situation.

While the set-aside should ease the shortages in the most critical areas, Department feed authorities warn that there still is not enough protein feed in the country to take care of the present heavy livestock and poultry population. These numbers must be reduced in line with 1946 production goals if sufficient feed is to be available.

The set-aside procedure works like this: The feed and Feed Grains Division of PMA analyzes reports sent in by processors on their intended shipments for the following month. If the analysis indicates areas which will not get their fair share of meal available, the processors are asked to ship meal to the most critical areas. This meal can be shipped to any feed distributor holding a certificate of compliance with the protein program.

USDA TO BUY DRIED The U. S. Department of Agriculture has announced
EGGS FOR EXPORT a dried egg purchase program under which approximately
 8.5 million pounds of the product will be bought for
delivery in February and March. The dried eggs will be used to fulfill definite export commitments made by the Department. Originally it was intended to fill these commitments with dried eggs processed from frozen eggs declared as "surplus" by the Army. The frozen eggs, amounting to 70 million pounds, were taken back recently by the Army, which action has made it necessary for the Department to buy dried eggs in the open market to meet these commitments.

Purchases will be made only from driers who certify that they have paid at least support prices for the shell eggs purchased from producers.

Additional export commitments are now under negotiation and if consummated will require the purchase of additional quantities of dried eggs under this program.

If, however, these negotiations fail to materialize, or if the farm price for shell eggs drops to support levels, the USDA will buy dried eggs for price support purposes under a separate program. As previously announced, this program will be the principal phase of egg price-support operations to be conducted by the Department in 1946.

SUBSIDY PROGRAM TO LAST
"AT LEAST UNTIL JUNE 30"

Most of the Government's wartime food subsidies will be retained until at least June 30, Stabilization Administrator John C. Collet has announced.

Subsidies after that time will depend upon action by Congress, which is being asked to authorize their payment for the 1947 fiscal year.

This change in plans for terminating subsidies was made necessary because expected price declines in non-subsidized elements of the cost of living are not materializing. These declines had been counted on to offset price rises resulting from subsidy removal.

While the Government wants to reduce the subsidy program as rapidly as possible, the program is still governed by the policy of making termination of subsidies subject to general stabilization of the cost of living.

WOOL PURCHASE
PROGRAM EXTENDED

The Commodity Credit Corporation has extended the time limit until next November 1 for buying wool under the 1945 wool purchase program. This assures growers of a market for the 1946 clip at prices in line with those of recent years. It also should encourage orderly marketing of the 1946 clip. Normal trade channels are used for purchasing, selling, and handling the wool. Quality, shrinkage, and the value of each lot will be determined by USDA appraisers.

FARMERS URGED TO
MARKET CORN

Farmers holding "wet" corn --- that containing more than 20 percent moisture --- are urged to market it within the next 60 days, if they do not have plans to feed it on their own farms.

By moving this wet corn off farms as soon as possible, spoilage may be avoided when warm weather sets in. Movement is advised also to help ease the feed shortage.

OPA announced in December that ceiling prices on corn would not be affected by the increase in corn loan rates. If, at a later date, the Department of Agriculture institutes a corn buying program, all purchases will be made at not more than established ceilings.

BEEF PRODUCTION
PROGRAM REPORT

A cumulative report of the Beef Production Program through November 31, 1945, is shown below for States in the Northeast Region.

State	Counties	Head of Cattle	Weight (Cwt)	Average per Head	Payment
Maine	1	3	20	1,000	\$ 15.00
Mass.	2	26	261	1,004	130.50
N.Y.	11	290	2,683	925	1,341.40
N.J.	3	55	516	938	258.00
Pa.	42	11,464	123,884	1,081	61,941.97
Northeast	59	11,258	127,374	1,076	63,686.87
No. Cen.	837	1,742,530	17,940,319	1,024	3,319,713.33
E. Cen.	268	99,089	1,108,512	1,113	554,336.10
South.	227	55,122	566,386	1,028	283,372.30
West.	468	494,735	5,116,565	1,034	2,557,087.83
U.S.	1,849	2,403,364	24,759,156	1,030	12,378,196.53

The December payments were made as follows: Massachusetts - 3 head, 21 cwt., \$10.50; New York - 57 head, 549 cwt., \$274.32; Pennsylvania - 1805 head, 18,441 cwt., \$9,220.42; and New Jersey - 13 head, 126 cwt., \$63.00.

JAN. 1 POTATO STOCKS
LARGER THAN AVERAGE BUT
SMALLER THAN RECORD YEAR

Stocks of merchantable potatoes held by growers and local dealers in or near areas of production on January 1, 1946, are estimated by the United States Department of Agriculture at 119,000,000 bushels. The revised estimate of stocks held January 1, 1945, is 103,880,000 bushels and the 10-year average (1932-41) is 105,686,000 bushels on Jan. 1. Even though January 1, 1946, stocks are 13 percent larger than average, they are 11 percent smaller than the record stocks of 132,020,000 bushels held on January 1, 1944.

On the basis of January 1 indications, a total of 26,694,000 bushels, or 7.4 percent of production, will be fed to livestock or lost through shrinkage and waste after harvest. Estimated quantities fed to livestock and lost through shrinkage and waste from the crops of 1944 and 1943 are 7.1 and 10.2 percent of production, respectively. Growers' own seed saved for planting in 1946 is estimated at 19,548,000 bushels compared with 19,885,000 bushels used from the 1944 crop and 21,677,000 bushels from the crop of 1943.

The following is a Northeast State report of marketable potato stocks on January 1, 1946, and net number of bushels of potatoes remaining under loan on January 1 with percentage comparisons.

State	BAE Potato Stocks Jan. 1, 1946 (000 bu.) ^{1/}	Net Bu. Remain- ing Under Loan Jan. 1, 1946 (000 bu.) ^{2/}	Percent Bu. Under Loan Jan. 1, 1946 is of BAE Stocks (%)
Maine	29,780	17,262	58
New Hampshire	380	100	26
Vermont	420	25	6
Massachusetts	450	288	64
Rhode Island	290	150	52
Connecticut	1,630	184	11
New York	5,500	374	7
New Jersey	250	21	8
Pennsylvania	4,800	305	6
Northeast Region	43,500	18,709	43.0
No. Central	25,770	10,045	39.0
Western	48,880	20,411	41.8
U.S. Total	119,080	49,165	41.3

^{1/} BAE estimate of marketable potato stocks held by growers and local dealers, Jan. 1, 1946.

^{2/} Figures taken from the weekly telegraphic potato loan reports for week ending Dec. 29, 1945, and Jan. 5, 1946.

Growers' 1946 planing intentions were reported along with their January 1 stocks. It is a long time until plantings will be completed, and the January 1 intentions must be considered to be of a very preliminary nature. However, on the basis of relationship between growers' January 1 intentions and acreages planted in past years, the January 1, 1946, "intentions" reports indicate that 1946 plantings in the 37 late and intermediate States will be about 2,254,300 acres -- a decrease of 5 percent from the 2,376,000 acres planted in these States in 1945.

SUPPLY OF SEED POTATOES
FOR SPRING PLANTING IS
THE LARGEST ON RECORD

Reports received from certifying officials who made inspections in 28 States show that 42,057,335 bushels of Irish potatoes produced in 1945 -- one out of every 10 bushels -- have qualified as certified or War-approved seed stock. The production of certified seed potatoes in 1945 was 33,005,803 bu., the largest certified seed crop ever produced. This seed crop exceeds by 2% the previous record of 32,497,139 bu. in 1944, and is more than twice the 10-year (1934-43) average of 15,998,675 bu.

In 1945, 14 States reported a production of 9,051,532 bu. of War-approved seed. This total is nearly twice as large as the production of 4,572,930 bushels reported by 16 States in 1944, but is 29% smaller than the 12,716,973 bushels reported by 20 States in 1943, when this grade of seed was first established.

The total of 153,225 acres of certified seed that passed final inspection in 1945 was exceeded only by the record of 157,618 acres in 1944, and compares with the 10-year (1934-43) average of 81,713 acres.

THE DAIRY SITUATION The gap between supply and demand for dairy products in November and December was the widest since the outbreak of war. Continuation of a high level of consumer purchasing power of butter, with the lowest production rate since 1920, was far short of consumer demand. In addition, maldistribution occurred following termination of rationing on Nov. 24. December butter receipts at the four principal markets were about one-half of prewar and about three-fourths of December 1944. Fluid milk and cream supplies were insufficient to fill all demands.

Despite a record level of milk production during November, the large consumption of fluid milk and cream resulted in the lowest quantity of milk utilized in manufactured dairy products since 1929 and in record withdrawals of manufactured products from stocks. About 2.5 billion pounds of milk went into the production of manufactured dairy products in November, compared with 2.96 billion pounds in November 1944, and a prewar (1936-40) average of 3.0 billion pounds. Butter, as the residual user of the milk supply, was affected most. But evaporated milk and Cheddar cheese production also was below November 1944. Stocks of all dairy products decreased 1.5 billion pounds during November (milk equivalent basis), double the prewar rate. December output of creamery butter and American cheddar cheese was indicated to be below the November output.

With supplies increasing seasonally, the gap between supply and demand at current prices, except for butter, is expected to disappear by mid-summer. Under present price ceilings, prices received by farmers for whole milk may average slightly lower in 1946 than in 1945, while butterfat prices will be about unchanged. On the other hand, if price ceilings are raised or removed, moderately higher prices for whole milk and materially higher prices for butterfat are expected.

* * *

---Payments to producers under the 1945 Agricultural Conservation Program were certified as follows through January 18, 1946: Maine, \$81,680.85; Massachusetts, \$9,412.60; Rhode Island, \$637.50; New York, \$19,533.49; and Pennsylvania, \$124,397.91. Maine's certifications were 27.2% of the total estimated payments; Massachusetts, 4.4%; Rhode Island, 2.5%; New York, 1.8%; Pennsylvania, 7.8%; and Northeast Region total, 5.4%. On the same date last year only .5% were certified.

CARE OF SOIL FERTILITY,
A POSTWAR NEED

Postwar years must bring increased conservation of soil productivity on the individual farms of the Nation, according to the annual report of N.E. Dodd, Director of the Field Service Branch, transmitted to the Secretary of Agriculture. The report covers activities of the former Agricultural Adjustment Agency for the year ended June 30, 1945, and includes mention of activities continuing since AAA was incorporated under the Production and Marketing Administration as the Field Service Branch.

Millions of acres were overcropped and over-grazed to get the farm production which hastened victory, Mr. Dodd points out. "Technical improvements in farming and unusually favorable weather during the war have covered up the actual effects of these severe drains on our soil. New and improved varieties of seed, together with increased use of lime and fertilizers, practices to conserve moisture, and other beneficial measures during the previous decade, helped to bring about big increases in crop yields. But the increased yields themselves, while important to meet emergency demands, have taken a heavy toll of plant-food elements from the land. This is serious, for the minerals contained in crop and livestock products come from nutrients in the soil."

"Our full development, therefore, depends largely upon the food we eat, the quality of which is influenced by the kind of soil which grows it. . . Unless we conserve the productivity of our farms, we will jeopardize our future strength and prosperity."

Mr. Dodd recommended that postwar farm plans include: Returning farming to a balanced rotation system, protecting land against erosion, and restoring plant food to depleted soil; increasing domestic consumption; preparing a program for larger exports to war-ravaged countries; production of agricultural commodities guided by consumer demand and foreign markets; and such aids to farm security as measures to assure fair prices and a stabilized farm income.

Farmers on nearly 3.5 million farms cooperated in the 1944 AAA program. Through such cooperation, improved farming methods are being encouraged on farms which embrace nearly 75 percent of the Nation's cropland. Preliminary estimates are that the volume of practices performed in 1945 will be larger than in 1944.

To replace soil minerals and prevent erosion, almost 24 million tons of ground limestone and nearly 2 million tons of superphosphate were applied in 1944. As an erosion-prevention measure, organic matter was returned to the soil in 1944 by using as protective cover or turning under nearly 23 million acres of green-manure and cover crops. Summer fallow was protected on more than 12 million acres. In building earthen dams and reservoirs, over 127 million cubic yards of earth were moved. Acreage of grass and legume seeds harvested under the special production program was almost doubled in 1944.

Other measures carried out in counties by farmer-committeemen were programs on sugar; production goals; naval stores; commodity loans and other price-support activities; tobacco marketing quotas; crop insurance, production payments on milk and butterfat, beef cattle, sheep and lambs; and other special wartime services.

* * *

---Public hearings on revisions of milk prices proposed by the industry in the greater Boston, Mass., marketing area have been scheduled to open Feb. 1 at St. Johnsbury, Vt., and to reconvene at Boston, Feb. 4, in anticipation of a possible termination of Federal subsidies on milk.

AN OUTSTANDING CROP
INSURANCE SALESMAN

AGENT: Mrs. Elsie West, Lothian, Md., 32 years old, attractive personality, wife of medical doctor, has 3 children, native of Virginia, but has lived in Anne Arundel County, Maryland, for past 12 years. Is 4-H club leader, director of Federated Women, Women's Auxiliary of Farm Bureau; also publicity chairman of Anne Arundel County Farm Bureau, part-time Farm Bureau Insurance Company agent, and sells farm machinery. Not full-fledged farm woman, although she and Dr. West have a home and small amount of land in Lothian.

RECORD: Sold all 44 prospects on list given her 5 days prior to end of sales campaign. Half of them not yet contacted by agents; other half, previously contacted by community committeeman agents, had refused to sign up. Sold all in 4 days; not a single refusal.

METHODS: Principal argument was that heavy sign-up on wheat insurance would prove farmers' interest in the crop insurance idea generally, and thereby lead more easily to insurance on tobacco crop -- most important crop in the county. No previous crop insurance program in the county, yields extremely low -- county check yield 11.8 bushels. County committee believes her success due to combination of favorable factors. Her prestige, previous insurance selling experience, attractive personality, and wide-spread acquaintanceship.

POTATO LOANS ONE-THIRD
LIQUIDATED IN MAINE

Approximately one-third of the potatoes originally under loan in Maine have been liquidated, according to the January 19 regular potato loan summary.

County committees who have not reported substantial repayments should urge movement of potatoes under loan by advising farmers of the present favorable marketing conditions.

The following summary is cumulative for the week ending January 19 for States in the Northeast Region.

State	No. of Loans	Cwt. of U.S. No. 1's Orig. Loaned	Cwt. of U.S. No. 1, B's & 2's Orig. Loaned	Amount Originally Loaned	Repaid	Remain Unpaid
Me.	2752	11,399,774.4	1,317,619.9	\$15,607,103.41	\$5,282,180.97	\$10,307,463.89
N.H.	35	50,651.1	7,114.9	84,106.13	--	84,106.13
Vt.	7	13,572.9	1,679.2	23,753.68	--	23,753.68
Mass.	27	158,159.0	14,062.0	256,184.35	95,950.15	160,234.20
R.I.	10	91,030.0	9,375.0	148,167.20	18,369.96	129,797.15
Conn.	41	150,783.4	21,670.4	248,865.57	97,643.57	151,222.00
N.Y.	102	189,441.2	30,629.4	300,272.52	14,297.98	285,974.54
N.J.*	8	11,558.2	1,261.1	18,852.58	4,548.82	14,303.76
Penna.	164	171,350.18	40,731.59	275,243.48	32,204.85	243,038.63
Total	3146	12,256,320.38	1,444,143.49	\$16,925,548.82	\$5,545,196.19	\$11,399,893.98

*(Jan. 12 report)

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